

**Technology Customer Council Meeting
Minutes of March 19, 2004**

F i n a l

Present: Steve Mosena, Judy Peters (for Steve Morris), Greg Wright, Leon Schwartz, Rich Jacobs, Larry Murphy, Lee Tack, Keith Greiner (for Gary Nichols), Jim Anderson (on behalf of Cindy Eisenhower), Steve Gast (ex-officio)

Absent: Carl Martin, Marv Van Haaften

Guests: Denise Sturm, Lorrie Tritch, Nadir Mehta, RJ Hellstern, Patti Allen, Marianne Mickelson, Sharon Sperry, John Gillispie, Mollie Anderson, Diane Van Zante

Steve Mosena, Chair, called the meeting to order. It was noted that a quorum of members was present.

1. **Review and Approve Minutes** – Lee Tack moved approval of the January 6, 2004 meeting minutes. Greg Wright seconded the motion. An oral vote was taken, approving the minutes as written.

2. **Overview of the Proposed Integrated Information for Iowa (I3) Support Structure** – Sharon Sperry.

Steve Mosena reported that DAS Customer Council Chairs had met with Mollie Anderson on March 18. There is currently some uncertainty with respect to ownership of the I3 rate setting process. I3 touches several areas - payroll, human resources, asset inventory - and is not just a technology service. Should the responsibility for setting rates reside with the Technology Customer Council or should I3 have its own customer council? Mollie will be looking to Cindy Eisenhower (Department of Management) and/or the legislative body for further direction. At present, given no competing direction, DAS anticipates moving I3 though the Technology Customer Council. The current timeline calls for rates to be set by July 1st.

Sharon Sperry outlined the proposed support structure needed to maintain I3 for the state. The support organization would be comprised of a few staff that would form a systems administration area, separate from other DAS enterprises. The subject matter experts would be a part of their own enterprises, but their main responsibility would be to ensure that I3 was supporting their business area. Application technical staff would also support the I3 system, similar to the way that the current budget, IFAS and HRIS systems are supported now. Sharon also provided a breakdown of equipment, operating system, database, storage, and software expenses included in maintaining I3.

John Gillispie stated that there was an important item still to be addressed. The State is very exposed due to the fact that all of the systems run on the mainframe. Because we are utilizing servers, the new environment offers us some unique opportunities. The Information Technology Enterprise (ITE) has the ability to split some of its servers and is considering purchasing two servers to permit load balancing and provide offsite recovery. This would give the state a hot site and an operating site. There might be additional costs to set up a parallel environment, however the state could realize a savings in software license fees. This concept is still in the preliminary stages of exploration. Steve Mosena mentioned that the Department of Human Services is already adding an offsite backup system.

The Technology Customer Council's decision to use permanent full time and permanent part time positions as a rate-setting factor has been the subject of considerable concern, in light of the fact that the Human Resources (HRE) Customer Council chose a different factor. The Technology Customer Council still believes its decision was the result of sound debate. To alleviate customer concerns, it may be useful to explain the Council's rationale. The Customer Council still has options and should approach I3 from an open perspective, based upon what is best in that circumstance. Rich Jacobs suggested that Steve Mosena meet with the HRE Customer Council chair to outline the Technology Customer Council's methodology. In turn, it would be helpful to understand the process that HRE used. Mollie commented that there is still a great degree of mistrust surrounding the redistribution of HRIS/IFAS funds. Greg Wright stated that the institutions had responded positively to the process utilized by the Technology Customer Council.

3. Follow-up on Issues from January 6 Meeting –

Distribution methodology for HRIS/IFAS funds – Denise Sturm. As previously discussed, HRIS/IFAS becomes a utility in FY05, at which time customers will begin to be charged for those services. For FY05, DAS will receive the general fund dollars set aside for this purpose and will redistribute those funds back to the agencies. Denise is presently gathering information to understand the current processing charges; that information will be used to shape the redistribution formula. DAS' intent is to redistribute the funds in July. In mid April, Denise will begin meeting with agency financial and business managers to provide them with an estimate of the distribution. At each meeting, she also plans to explain the prototype-billing format and discuss the impact of the new utility rates.

Discuss alternatives if distribution of funds runs short – Denise Sturm. If events unfold as expected, Denise does not believe there will be a shortage of funds for ITE utilities. Leon Schwartz posed a question with regard to the Statewide Indirect Cost Allocation Plan (SWICAP). Denise is working with Steve Lindner to get a better understanding of that issue.

4. **Financial Report** – Denise Sturm. After the new utility rates have taken affect, the council will review financial reports periodically to determine if the rates do cover the expenses.

Updated Summary Spreadsheet (Common Directory Progress Report) – Lorrie Tritch. Darwin Ten Haken has conducted initial meetings with 52 of 61 agencies. Cooperation has been excellent; we have seen significant progress in a short time span. Out of approximately 23,000 individuals, 10,614 have already been loaded into the directory. The updated progress report identifies the agencies that have been contacted, their current model, target model, additional comments, and number of ID's loaded. Phase 2 of this project is the synchronization with payroll data. Steve Mosena commented that Darwin was doing an excellent job and had been very helpful.

5. **Update from the February 20 DAS Agency Directors Meeting** – Steve Mosena. On February 20, the DAS Customer Council chairs presented the new utility rates to the Customer Council Advisory Committee. There were no negative comments, however agency budgets were a subject of concern. Steve inquired if Technology Customer Council members had received any feedback since the rates were made public. Denise received a question with regard to whether a FY06 add on package would subsequently become part of an agency's base budget. Jim Anderson responded that he believed it would.
6. **Other Discussion/Set Date for Next Meeting** – At a previous meeting, reference was made to an 8% recovery fee that ITE charges for IT procurements. Steve Gast suggested viewing the fee as a utility, as the customer has no ability to opt out. John Gillispie indicated that there were true costs incurred, however he was willing to consider revisiting the issue. Mollie commented that Steve's point was well taken and stated that she and John would discuss the matter further. In order to be deemed a utility, the Governor would also need to concur. Council members asked for a more detailed explanation of the value added service (why is it 8% as opposed to the 1% that the General Services Enterprise charges?). Some agencies negotiate a lot of their own contracts, so don't feel that they're reaping a benefit for the fee charged.

House File 534, which created the customer councils, mandates the establishment of a complaint resolution process and outlines the procedure for doing so. DAS would like to institute a single, consistent process for all of the customer councils. The Human Resources Enterprise is already working on a draft and will share it when it is more fully developed. A final process will be arrived at collectively. There may also be value in having a common point of entry for all three councils.

Future meetings: In the past, meetings have been scheduled for the second Tuesday of the month. Steve Gast reported having a meeting conflict on some Tuesdays. The CIO Council may wish to explore designating an alternate for Steve. The Technology Customer Council will meet next on the second Tuesday in April (April 13).

There being no further business, the meeting was adjourned at 2:09 p.m.